



"People
helping people
help
themselves"

Frank O'Bannon, Governor
State of Indiana

Division of Disability, Aging and Rehabilitative Services
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John Hamilton, Secretary

To: DD Waiver Interested Parties

From: Alison Becker, Director, Fiscal Services
Steve Cook, Director, Developmental Disabilities Services

Date: April 17, 2002

Re: DD Waiver Bulletin 15-Prevocational Services Billing

A number of you have raised questions about our rationale for billing of Prevocational Services on a per-activity basis. Much of this was raised as a result of an answer we provided to a question asked at the INARF waiver conference held in January:

Some people fluctuate above and below 50% of minimum. Do they have to go on and off a waiver each time this happens or how should we determine if their sheltered work should be moved to their waiver? Prevocational Services – "not above 50% of fed minimum wages". Calculate quarterly? Monthly? Annually? This should be a specific task calculation. It is a function of what the individual is doing and whether or not that particular task is at 50% or not. For example, in the same day, a person could be learning a new activity and be doing it at less than 50%, but also do an old activity at which they are compensated above 50%. The first activity would be Pre-vocational and the second would be Sheltered Employment.

A number of you have expressed concerns about the onerous burden this places on you and your agency for recording keeping and billing. We have weighed these concerns against our need to follow Federal guidelines. Because the Home and Community Based Services Waiver program is set up to specifically prohibit the provision of "Sheltered Work", as we know it in Indiana, we must stand by our original answer. In essence, you must do a specific task calculation.

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We recognize that this will lead to new record keeping procedures within your agencies. However, our responsibility is to the Centers for Medicare and Medicaid Services to make sure we are administering the program correctly. They are very concerned that Prevocational Services be utilized for people appropriately. To do this, it is necessary to make a calculation on a per-task basis.

As you are preparing a Plan of Care/Cost Comparison Budget for people who may fluctuate between Prevocational and Sheltered Work on the Title XX program you should put in the total number of units you MAY bill for the month (someone who is at the workshop 5 days a week for 5 hours a day would be 80 hours or 320 units of Prevocational Services). You would then bill for the actual number of units someone is utilizing Prevocational Services. As a reminder, Prevocational Services must meet the following:

- Prevocational services are aimed at preparing an individual for paid or unpaid employment, by teaching concepts such as compliance, attendance, task completion, problem solving and safety.
- The activities included in this service are directed at underlying habilitative goals and are reflected in an individual's plan of care as such (not explicit employment objectives).
- Prevocational services are compensated at less than 50 percent of the Federal Minimum Wage
- These services are provided to individuals not expected to join the general workforce or participate in a transitional workshop within one year (excluding supported employment).
- As with all services, if services are available under the Rehabilitation Act of 1973 or Public Law 94-142, they cannot be paid for under the DD Waiver.

As you are working with an individual and they fluctuate, particularly on the 50% of Federal Minimum Wage (Federal Minimum Wage is currently \$5.15 an hour, so 50% is \$2.56 per hour), based on task, you need to bill Title XX for those services that do not fall under the Prevocational Services definition. And, the wage calculation MUST be done for EACH task a person completes in a day.

At the end of the month, you will bill Prevocational Services for the number of units that the person has used that fall under the definition of Prevocational Services. The remainder, as appropriate, will be billed to Title XX Sheltered Work.

As a reminder, ALL transportation for a Waiver client, even transportation to Sheltered Work, should be billed to the Transportation service on the Waiver.